

Report on Our Commitment to the Fight Against Modern Slavery

Staples Promotional Products Canada Ltd. (Staples Promotional Products or SPP) (we, our) is committed to respecting human rights and stands against all forms of modern slavery (a term that includes forced labour and child labour). This Report is issued in accordance with Section 11 of *Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the Act) for the fiscal year ending February 3, 2024.

This Report describes elements of our human rights program for our 2023 fiscal year, which continues to evolve and incorporate global best practices like those embodied by the United Nations Guiding Principles on Business and Human Rights (UNGPs).

1. Our Structure, Business, and Supply Chains

Staples Promotional Products Canada Ltd. is a distributor of branded promotional merchandise, serving customers in a broad range of industries. It is a Canadian privately-owned organization, headquartered in Vaughan, Ontario. We distribute a wide variety of promotional products, gifts and merchandise. Typical items are branded drinkware, bags, apparel and headwear (including uniforms), pens, food, and writing journals.

2. Modern Slavery Risks in our Operations and Supply Chains

In 2023, Staples Promotional Products implemented a process to identify risks associated with forced labour and child labour in its supply chains and has undertaken a variety of actions to address and mitigate these risks. We periodically conduct and review social audits and have not uncovered any forced or child labour.

Certain factors, goods, and geographies are known to carry an elevated risk of utilizing modern slavery. High-risk factors include the use of migrant workers, outsourced labour hire, and labour-intensive services. High-risk goods include items such as cotton, electronics, and textiles. High-risk geographies include, but are not limited to, Bangladesh, China, India, and Malaysia. To the extent that Staples Promotional Products' suppliers and vendors operate within these high-risk environments, Staples Promotional Products is aware of the risks, and monitors their operations closely.

3. Actions Taken to Assess and Address Modern Slavery Risks

(a) Risk Assessment and Management

Staples Promotional Products has developed and implemented an action plan for addressing forced labour and/or child labour. Beginning in 2023 we have started a process to identify risks. Beyond having codes of conduct for employees, vendors, and suppliers we periodically review social audits and have not uncovered any forced or child labor.

(b) Our Standards, Policies and Due Diligence Processes in Relation to Forced Labour and Child Labour

SPP has robust policies and protocols in place to ensure that all products sourced by SPP are manufactured in accordance with applicable law. All suppliers who provide products to SPP are contractually required to manufacture products in accordance with applicable law.

Additionally, we require our suppliers sign our Xinjiang Code of Conduct Compliance and Supply Chain Transparency acknowledgements. We require suppliers implement due diligence measures, monitor their supply chains, and alert SPP if issues are uncovered.

Tools such as EcoVadis are used in our supply chains to enhance monitoring capabilities and provide transparency. Supply Chain monitoring is a continual process. Globally risks will change, and we are committed to ongoing efforts in education, monitoring, and addressing them. Staples Promotional Products utilizes various resources to stay informed of risks in industry sectors and regions.

Staples Promotional Products' policies and approach to preventing forced labour and child labour have been developed based on international labor and human rights standards, as well as best practices across the business community. SPP's specific policies include:

- **Code of Conduct** requires Staples Promotional Products associates to always act lawfully, ethically and in the best interest of Staples Promotional Products. Staples Promotional Products appreciates equality and diversity and accordingly provides equal opportunity in all aspects of employment.
- **Supplier Code of Conduct** applies to each supplier providing Staples Promotional Products with branded promotional products (products bearing Staples trademark information and or SPP's customer's trademark information). The Supplier Code of Conduct provides ethical, legal and workplace standards that vendors must adhere to. Point 1 of the Supplier Code of Conduct provides that suppliers shall not use forced labour, whether in the form of prison labour, indentured labour, bonded labour or otherwise. Point 2 provides that suppliers will not use child labour. The Code of Conduct further provides that suppliers must allow employees to keep their own identification documents to resign from their positions at any time. Suppliers shall not employ people younger than the minimum age required under the laws of the applicable jurisdiction, or the minimum age for the completion of compulsory education, or the minimum age of employment required by law in the country of manufacture, whichever is highest.

- **Supplier Contracts** include our Supplier Code of Conduct which requires SPP's suppliers do not engage, actively or passively, directly or indirectly, in forced or child labour. It requires suppliers to comply with all applicable state, provincial, federal, and municipal laws, rules, and regulations. Additionally, suppliers must ensure a subcontract agreement is executed and includes terms no less restrictive than those the direct supplier has agreed upon.

(c) Mechanisms to Report Concerns and Complaints

SPP has a robust system of accountability, including a Human Resources department and the Ethics and Compliance Office. If employees have any concerns that the Code of Conduct is being violated, they are encouraged to report to the appropriate office. SPP also has an online helpline called EthicsLink which associates can use to report ethics concerns.

(d) Measures Taken to Remediate any Forced Labour or Child Labour

SPP has not identified any forced labour or child labour in our activities and supply chains and has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

(e) Training Provided to Employees on Forced Labour and Child Labour

SPP conducts new hire training with each of our employees that covers company policies and our Code of Conduct. Outside of this standard training, departments conduct specialized training based on the relevant job role of the associate.

After initial training, associates are required to complete additional training on a regular basis. Ongoing training is administered based upon job function.

Staples Promotional Products reviews and updates training curricula annually or when there are changes to legislation or regulations. We build awareness of our policies and procedures through regular communication with various associates in operational roles and formal training programs. These programs are customized based on the needs of the business. For example, our compliance team training covers both child and forced labour and is conducted via multiple third-party sources. Training is attended throughout the year by the compliance team that serves as subject matter experts for the organization. In 2023, the Compliance team cumulatively attended 40 hours of training specifically addressing forced/child labour. Some of the trainings do require passing of a quiz but not all. Continuing education is a requirement for the Compliance Team to ensure we remain experts in the Promotional Products Industry.

4. Assessing the Effectiveness of our Actions

Staples Promotional Products regularly reviews our policies and procedures relating to modern slavery, to assess their effectiveness.

We, at a minimum, annually review our policies and procedures asking business unit owners to make updates to their portions of policies, procedures, and contracts. SPP regularly provides communication to our supply chain with tools and resources relevant to current and/or emerging supply chain issues/concerns. SPP reserves the right to request copies of existing social audits or require new social audits be performed within our supply chain. We require audits be conducted by accredited 3rd party organizations and be a recognizable format such as SMETA 4-Pillar, amfori BSCI, or Responsible Business Alliance (RBA). As we review supplier audits, we require they work on their corrective action plans to close open issues and demonstrate continual improvement. Audits should be conducted at a regular frequency. The expected frequency is determined by criteria such as, but not limited to, audit results and location of the facility being audited.

5. Conclusion

We are committed to preventing and eradicating all forms of modern slavery in SPP's procedures and supply chains. We will continue to regularly review our processes, practices, and policies in order to ensure this goal is being met.

Approval and Attestation

In accordance with the requirements of the Act, and in particular paragraph 11(4)(a) thereof, I attest that I have reviewed the information contained in the report for the entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above. I have the authority to bind Staples Promotional Products Canada Ltd.

Jennifer Roney

NAME: Jennifer Roney
TITLE: Managing Director
Dated: 24th May 2024